



United States  
Department of  
Agriculture

Food and  
Nutrition  
Service

Mountain  
Plains  
Region

1244 Speer Boulevard  
Denver, CO 80204

PL

DEC 28 1993

Reply to  
Attn. of: SP 94-57  
CACFP-374  
SFSP-212

Subject: Free and Reduced Price Eligibility Determinations for "Subsidized Adoption"

To: STATE AGENCY DIRECTORS - Colorado ED, Colorado DH, Colorado SS, Iowa  
(Special Nutrition Programs) Kansas, Missouri ED, Missouri DH, Montana OPI,  
Montana DHEDS, Nebraska ED, Nebraska SS,  
North Dakota, South Dakota, Utah, Wyoming ED,

We have learned, through inquiries from several State agencies (SAs), that some households which apply for free and reduced price meal benefits at school have a child or children who are in the status of "subsidized adoption." These children typically are former foster children and/or are children with "special needs" (i.e., having physical or mental disabilities, or histories of suffering abuse or neglect). The household has adopted the child or children, and, in turn, a State social service agency provides a monthly income to the household to assist in paying for each child's care and expenses.

We have been asked to clarify whether or not a child who is in a household through "subsidized adoption" should be considered a household of one, and whether or not the income received by the household for the child's expenses should be considered as income to the household for eligibility determination purposes.

The term "adoption" in the context of "subsidized adoption" usually means that certain adults in the household have been given legal custody of, and responsibility for, the child who is being adopted. In making eligibility determinations in this case the child should be considered as an additional member of the household, with the income for the child's needs counted in the household's total income. However, there have been some instances in which the term "subsidized adoption" has been used to refer to a legal arrangement in which the child in question is not considered to be in the custody of any household adults, but is under the legal guardianship of the court. In this case, in which the legal custody arrangements are essentially the same as for a foster child, the eligibility determination should treat the child as a foster child.

Please contact our office if you have any questions about this policy, or if you have questions about interpreting any child custody or care arrangements with respect to determining free and reduced price eligibility.

*Ann C. De Groat*  
ANN C. DEGROAT  
Regional Director  
Special Nutrition Programs